

COLLECTION SERVICES AGREEMENT

Municipal Collections of America, Inc

This COLLECTION SERVICES AGREEMENT, made this 19th day of September, 2016, by and between Municipal Collections of America, Inc., (“MCOA”) an Illinois Corporation, and the City of Ankeny, Iowa (“City”).

WHEREAS, MCOA is a duly licensed collection agency in the State of Iowa, and;

WHEREAS, MCOA possesses the personnel, experience, expertise, and equipment to effectively aid the City in collecting the said fines and debts through an effective collection process and;

WHEREAS, the City may wish to list certain other debts with MCOA for collection from time to time and MCOA may wish to accept such claims for collection. MCOA retains the right to reject any debt submitted for collection and will provide explanation for such action if taken.

MCOA and the City do hereby agree as follows:

ARTICLE I

The City agrees that any debts and/or fines listed for collection with MCOA will be collected and administered pursuant to all the terms and conditions in this Agreement.

All municipal debts and fines listed for collection will be forwarded to MCOA, using the forms and procedures designated by MCOA.

Upon request of MCOA, the City will provide certified copies of any documentation deemed necessary for use by MCOA in its collection efforts in a timely manner.

MCOA will acknowledge receipt of any violations listed for collection within five days thereof.

ARTICLE II

MCOA agrees to use its best efforts and any lawful means which in its judgment and discretion it believes will result in the collection of the debts/fines which are listed for collections.

ARTICLE III

No fees will be payable to MCOA unless money is collected, at which time MCOA will be paid as follows:

- Upon listing for collection, eligible debts as defined by City Code or Ordinance shall have a twenty-five percent (25%) cost of collection added to the outstanding balance. Upon collection of the debt, a twenty percent (20%) collection fee is retained by MCOA from the full balance, with the original balance submitted for collection being paid to the City.
- Eligible debts that are paid thru the Iowa DAS Offset program will include 25% cost of collection in the value submitted and will be paid to MCOA upon the City’s receipt of payment.
- Debts that are determined by the City to not be eligible for adding on the cost of collection will be recovered with a contingency fee of 25% paid to MCOA upon collection. Any debt determined to be ineligible for the added-on cost of collection that is paid thru the Iowa DAS offset program shall be recovered with a 10% contingency fee paid to MCOA upon recovery.

ARTICLE IV

Upon the City's listing of the violation/debt for collection, MCOA shall have the exclusive right to collect the amounts owed there under until such time as it determines the debt is uncollectable or the City requests return of the violation/debt to the City. Any inquiries concerning any debt listed for collections, including attempts to make payment, shall be referred at the earliest possible time to MCOA.

MCOA will deposit any money collected in the City's separate bank trust account established for that purpose.

After deduction of the fees allowable by this Agreement, MCOA will forward to the City, its share of any amounts collected. Remittance to the City will be made by the 15th of the month for any amounts collected by the last day of the preceding month.

In the event that any funds are independently paid to the City for violations which have been listed for collection, the City will report such collections to MCOA daily for accounting under this Article.

ARTICLE V

The City hereby authorizes MCOA to accept a negotiated settlement on any violations listed for collection. However, unless otherwise authorized by the City, any such settlements shall be no less than 100% of the available balance.

Should the City make any unauthorized settlement or otherwise takes any action in derogation of MCOA's exclusive right to collect on any violation listed for collection, then MCOA shall be entitled to payment in full, as delineated in Article III hereof, based on the full amount of the violation, as listed. Any such payments which may become due may be deducted from the City's next monthly payment from MCOA.

ARTICLE VI

MCOA agrees to indemnify and hold the City harmless against any and all liability, costs and expenses including attorney fees, occasioned by claims or suits for loss or damages arising out of the acts of the agents, servants or employees of MCOA during the term of this Agreement. MCOA shall defend and indemnify the City from any claim or action arising out of MCOA's performance or non-performance of its obligations under this agreement, including but not limited to any violation of the Fair Debt Collection Practice Act, any law dealing with the credit rating of any individual, and other applicable laws arising out of the acts or omissions of MCOA or its agents or employees. Conversely, the City agrees to indemnify and hold MCOA harmless against any and all liability, costs and expenses including attorney fees, occasioned by the claims or suits for loss or damages arising out of the acts of the City, its servants or employees.

Further, the City warrants and represents to MCOA that any debt listed for collection will be a legal and valid debt owed to the City; and in addition to the indemnities listed above, the City agrees to indemnify and hold MCOA harmless against any and all liability, costs, and expenses including attorneys' fees occasioned by claims or suits under the Federal "Fair Debt Collection Practices Act", due to the breach of these warranties and representations.

ARTICLE VII

This Agreement is for a period of 24 months from the date first above written, however, it shall continue under the same terms and conditions for additional one year periods until termination by either party, by notice given to the other party, at least sixty days prior to termination.

However, in the event of termination of the Agreement by either party, the City shall have the option of requesting MCOA to continue any outstanding collection efforts on debts until the debt is either paid or determined to be uncollectible under the same terms of this Agreement.

ARTICLE VIII

At least once per year, MCOA will return to the City such violations which it determines, in its sole judgment and discretion, to be uncollectible.

ARTICLE IX

Any notices to be given pursuant to this Agreement shall be deemed as served when placed in the United States Mail, with postage prepaid, sent by certified mail, return receipt requested; to the address designated, in writing, by either party. Until such time as a different address is designated notices shall be sent as follows:

If to MCOA,	Municipal Collections of America, Inc. 3348 Ridge Road Lansing, Illinois 60438
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If to the City,	City of Ankeny 410 West First St Ankeny, IA 50023 Attn: Finance Director
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ARTICLE X

This Agreement contains the entire agreement between the parties hereto and supersedes any prior agreements or understandings between the parties. This agreement may only be altered or modified by written instrument signed by both parties.

IN WITNESS WHEREOF, the parties have signed and sealed this Agreement of the date first above written.

Municipal Collections of America, Inc.

BY: _____

TITLE: _____

City of Ankeny

BY: _____

TITLE: _____ Mayor _____

DATE: _____ 9/19/2016 _____